C. B. (II) No. 32.

LOK SABHA

COMMITTEE ON SUBORDINATE LEGISLATION

FOURTH REPORT

PRESENTED ON THE 14TH MAY, 1956

LOK SABHA SECRETARIAT
NEW DELHI
May, 1956.

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COMPOSITION OF THE COMMITTEE ON SUBORDINATE LEGISLATION

(1955-1956.)

1. Shri N. C. Chatterjee—*Chairman.*
2. Shri S. V. Ramaswamy
3. Shri N. M. Lingam
4. Shri A. Ibrahim
5. Shri Hanamantrao Ganeshrao Vaishnav
6. Shri Tek Chand
7. Shri Ganpati Ram
8. Shri Nandlal Joshi
9. Shri Diwan Chand Sharma
10. Shri Hem Raj
11. Shri H. Siddananjappa
12. Dr. A. Krishnaswami
13. Shri Tulsidas Kilachand
14. Shri Hirendra Nath Mukerjee
15. Shri M. S. Gurupadaswamy.

SECRETARIAT

Shri S. L. Shakdher—*Joint Secretary.*
Shri N. N. Mallya—*Deputy Secretary.*
Shri P. K. Patnaik—*Under Secretary.*

I

INTRODUCTION

I, the Chairman of the Committee on Subordinate Legislation, having been authorised by the Committee in this behalf, present this their Fourth Report.

2. In pursuance of para 40 of the Third Report the Committee started scrutinising all statutory rules etc., published in the Gazette irrespective of whether or not they were laid on the Table of the House.

3. Subsequent to the presentation of the Third Report the Committee held three sittings and considered 233 new 'orders'. The Committee also considered the 'orders' that were pending final disposal at the time of the presentation of the Third Report. At a sitting held on the 4th May, 1956, the Committee considered this Report and passed it.

4. Observations of the Committee on matters of special interest, made during the course of their examination of the 'orders', matters which required to be brought to the notice of the House, as well as the recommendations of the Committee have been included in this Report.

II

S.R.O. 2226 OF 1954 *RE*: COIR INDUSTRY RULES, 1954

5. The Committee have examined S.R.O. 2226 of 1954 which contains the Coir Industry Rules, 1954, made under Section 26 of the Coir Industry Act, 1953.

6. *Rule 4(e)*.—This rule allocates one seat on the Coir Board to each House of Parliament whereas the usual ratio between the members of the Lok Sabha and the Rajya Sabha on such bodies is 2 : 1.

7. The Ministry of Commerce and Industry to whom the point was referred for clarification, informed the Committee that in allocating one seat to each House they had followed the precedent of the Tea Rules, 1954.

8. In regard to the Tea Rules, 1954, the Committee have already recommended in para 26 of their Third Report that, as the allocation of one seat to each House is not in accordance with the changed circumstances, the rules should be amended to provide for the representation of the two Houses in the usual ratio of 2 : 1.

9. The Committee recommend that Rule 4(e) of the Coir Industry Rules should be amended to provide for the representation of the Lok Sabha and the Rajya Sabha in the ratio of 2:1.

10. *Rule 6*.—Under the proviso to this rule the resignation of a member from the Board or a Committee will not be effective unless it is accepted by the Chairman or the Secretary. There is nothing

in the rules to direct the Chairman or the Secretary to accept the resignation within a reasonable time.

11. The Ministry explained this provision as follows:—

> "The proviso to this rule says that a member of the Board or the Committee as the case may be, shall not vacate his office until his resignation is accepted. The provisions of Rule 6(2) of the Tea Rules, 1954, were followed here also. The Proviso is necessary. In the absence of such a provision the resignation of a member will automatically come into effect, with no opportunity to the Board or the Committee to settle any matters outstanding between it and the member. Further, cases are conceivable in which it will cause inconvenience to the Board or the Committee, if the member is allowed the freedom to bring his resignation into effect from a date at his own choice without giving any previous notice to the Board or the Committee. The rule that resignation will take effect only from date of acceptance appears to be a usual one and the object of the rule is only to obviate the difficulties mentioned above. It is not intended in any way to continue a member on the Board contrary to his wishes for an indefinite period."

12. The Committee have already expressed their opinion on the corresponding provision in the Tea Rules, 1954. (para 29 of their Third Report). The Committee wish to repeat here that there should not be any such restriction on a member when he wants to resign. The Committee recommend that some time limit should be specified in Rule 6 of the Coir Industry Rules within which the authority concerned must take a decision on the letter of resignation of a member.

13. *Rule 15(3)*.—Under this rule a contract will not be binding on the Board unless it is executed by the Chairman etc., with the previous approval of the appropriate authority. It was not clear as to what would happen if the contract was entered into without such prior approval and the contractor executed some work in pursuance of such a contract.

14. The Ministry clarified the position as follows:—

> ".....No question may arise of a contractor entering into a contract without having the means of knowing who is the appropriate authority. In any case, if such a question arises, the ordinary law regarding the liability of an agent when he acts without any authority or in excess of the authority delegated to him may apply for the decision of the question."

15. The Committee have considered the above reply of the Ministry. The Committee are of the opinion that the rule should provide for such situations if they ever arise and ensure that the contractor is not penalised for the fault of the officers.

16. *Rule 17*.—This rule lays down the procedure for borrowing of money by the Board. It was felt that the details of the procedure for borrowing and repayment should be provided in this rule.

17. The Ministry, on a reference being made, stated as follows:—

> "This rule follows closely the provision of rule 37 of the Tea Rules, 1954. Rules will be separately framed regarding the procedure for borrowing and repayment."

The Committee note the Ministry's assurance.

18. *Rule 21.*—This rule provides that the Secretary shall be subject to such conditions of service as may, from time to time, be fixed by the Central Government.

19. Section 26(2)(d) of the parent Act, to which this rule is related, envisages that the rules shall specify the conditions of service. But the conditions of service have not been provided in the rules. Instead rule 21 provides that the conditions of service of the Secretary shall be fixed outside the rules. (The conditions of service have, it is learnt from the Ministry, been fixed in accordance with this rule). This, the Committee feel, is not in accordance with the intention of the Act.

20. The Committee are of the opinion that, when the Act envisages that the conditions of service shall be provided in rules, they should be so provided and not fixed outside the rules.

21. *Issue of licences.*—These rules do not contain any provision regarding the procedure and manner of issuing of licences as required under the Act. An enquiry was made from the Ministry in this regard and they explained the position as follows:—

> "The present rules do not include any of licences, registration of looms and factories etc. It is intended that the Board should first investigate and submit proposals in this matter and that the Central Government will then issue the Rules as required by sections 10(3) and 26 of the Coir Industry Act, 1953."

The Committee note the Ministry's reply.

III

S.R.O. 6-E OF 1954 AMENDING THE RESERVE AND AUXILIARY AIR FORCES ACT RULES, 1953.

22. S.R.O. 6-E of 1954 introduced a new Rule 35A in the Reserve and Auxiliary Air Forces Act Rules, 1953. Sub-rule (10) of Rule 35A provides that the quorum of the Central, State and Unit Advisory Committees will be as nearly as may be 1/4th of the total strength of the respective Committees.

23. According to this sub-rule, the quorum of Part A and B State Advisory Committees which consist of 9 members will be only 2; and the quorum of Part C State and Unit Advisory Committees, which consist of 5 members, will be only 1.

24. The Committee feel that the quorum provision is unusual. They are of the opinion that the quorum fixed for these Committees should be raised.

IV

S.R.O. 3520 OF 1954 CONTAINING AIR CORPORATIONS RULES, 1954.

25. S.R.O. 3520 of 1954 contains the Air Corporations Rules, 1954, made under Section 44 of the Air Corporations Act, 1953, to give effect to the provisions of the Act.

26. *Rule 45.*—Proviso to this rule lays down that the resignation of a member or the Chairman of the Air Transport Council will take effect from the date on which it is accepted by the Central Government. There is nothing in the rules to direct the Central Government to accept the resignation in a reasonable time.

27. The Committee are of the view that there should be no such limitation on a member when he wants to resign. The Committee recommend that some time limit should be specified in Rule 45 within which the authority concerned must take a decision on the letter of resignation of a member.

V

RE-PRINTING OF RULES

28. Sometime ago the Ministry of Law impressed upon the Ministries of the Government of India the desirability of re-printing the rules etc. from time to time after incorporating the amendments therein. The Committee have also considered this question and the Committee feel that it is very necessary to re-print the amended rules with amendments incorporated therein in order that the general public as also the departments of the Government can refer to them more easily and without any inconvenience.

29. The Committee recommend, that whenever there are extensive amendments to any rules, the rules should be re-printed. The question of economy should be balanced against the convenience to the persons for whose use rules are made.

VI

UNIFORMITY IN THE PROVISIONS IN THE BILLS RELATING TO THE REPRESENTATION OF MEMBERS OF PARLIAMENT ON STATUTORY BODIES

30. The Committee have observed that there is no uniformity at present in the procedure followed for the representation of members of Parliament on various statutory bodies constituted under the Central Acts. Sometimes the provisions are for the election of members by either House; sometimes by nomination by the Speaker or the Chairman; and sometimes by appointment by the Central Government.

There is also no fixed ratio observed in the matter of representation of the two Houses on such bodies.

31. The Committee are of the opinion that the representation of members of Parliament on statutory bodies should be by election by either House or, in the alternative, by nomination by the Speaker or the Chairman; in no case should the selection of representatives of Parliament be left to be made by the Executive Government.

32. The Committee are also of the opinion that the representation of the Lok Sabha and the Rajya Sabha on such bodies should be in the ratio of 2:1.

VII

EXEMPTIONS FROM EXCISE DUTY BY GOVERNMENT UNDER DELEGATED POWERS

33. The Finance Bill, 1955, *inter alia*, contained proposals for the levy of excise duty on hand-made paper and sewing machines, which came into force on the 1st March, 1955, under the Provisional Collection of Taxes Act, 1931, even before the Finance Bill was passed by Parliament. The Bill was still pending when the Government, under the powers delegated to them by the Central Excises and Salt Act, 1944, exempted the above articles from the excise duty. An announcement regarding the exemption of hand-made paper from the duty was made by the Minister of Finance in the course of his reply to the Budget debate in the Rajya Sabha. But no such announcement was made in the Lok Sabha where, in fact, the Bill was pending.

34. The Committee have considered this matter. It is true that Government have the power of exemption and they can exercise the power whenever they like and they are under no statutory obligation to make announcement of any such exemption in the House. But, the Committee feel that Parliament also has a responsibility in the matter, namely, the responsibility for keeping watch over the Taxation policy of the Government. The question that arises in the circumstances is whether it is not desirable, though it is not obligatory, on the part of the Government to inform the House about any exemption of any article from the duty; and whether when a measure levying a duty on certain articles is pending in the House, it is at all proper for the Government to exempt any of those articles from the duty without waiting for the views of the House on the measure.

35. The Committee are of the opinion that, whenever the Government exempt any article from excise duty, they should immediately inform the House, if it is then in session, if it is not in session, the information should be communicated to the Speaker for the information of the members of the House.

The Committee are also of the opinion that when a particular measure levying any duty is pending in the House, no action should be taken by way of exemption of an article from the proposed duty without seeking the prior approval of the House.

VIII

CENTRAL NUMBERING AND PUBLICATION OF STATUTORY RULES AND ORDERS

36. The Committee have studied the present manner of numbering and publication of statutory rules and orders. The Committee note that the statutory rules and orders are not published at one place in the Gazette but are scattered over 5 different sections of the Gazette. There is also no uniformity in the manner of numbering such rules and orders. The result is that it is difficult to make

quick and easy references to the rules and orders or to locate them in the Gazette. The use of the same letters as prefix in sections 3 and 4 of Part II also causes confusion.

37. It was felt that it would be better if all statutory rules and orders could be published in one section of the Gazette and could be centrally numbered from year to year. But the Government find difficulties in agreeing to this proposal.

38. In the alternative, the Committee are of the view that the following steps should be taken in this matter:—

(1) The Government should ensure that their notifications containing particularly constitutional and statutory rules and orders are published in proper part and section of the Gazette.

(2) An index should be published every month which should cover all the notifications published during that period in any part and section of the Gazette. A consolidated index should be issued every year.

(3) Notifications regarding constitutional and statutory rules and orders in each part and section of the Gazette should be centrally numbered from year to year with a distinctive prefix. The distinctive prefix will help to find out the section or part of the Gazette and the central numbering will help to locate the particular notification. Arrangements on the following lines should be started in this connection:—

	Published in	*Prefix*	
(*a*) S.R.Os. of Ministries (excluding Defence Ministry)	Part II, Section 3	S.R.O.	(A)
(*b*) S.R.Os. of Defence Ministry . .	Part II, Section 4	S.R.O.	(B)
(*c*) S.R.Os. of Chief Commissioners under Central Acts.	Part III, Section 3	S.R.Os.	(C)
(*d*) S.R.Os. of Reserve Bank of India under Central Acts.	Part III, Section 4	S.R.O.	(D)
(*e*) S.R.Os. of statutory Corporations under the Central Acts.	Part IV	S.R.O.	(E)
(*f*) Rules and Orders made under the Constitution	Part II, Sections 3 and 4	S.R.O.	(F)

(4) A notification should be referred to by its central number (with prefix) and year of its publication in the Gazette or the date of issue of the Gazette containing the notification, *e.g.*, S.R.O. (A)/113 of 1955 or S.R.O. (A) 113 of 25th January, 1955.

IX

DELAY IN LAYING ORDERS ON THE TABLE OF THE HOUSE

39. The Committee have observed that a number of 'orders' were laid on the Table of the House after considerable delay. A statement of such orders is given in appendix I.

40. The Committee wish to draw attention to their recommendation in para 48 of their Third Report and to state again that 'orders' should be laid on the Table of the House within 7 days after their publication in the Gazette; if the House is not in session at that time, the 'orders' should be laid on the Table as soon as possible (but within 7 days) after the commencement of the following session.

N. C. CHATTERJEE,
Chairman,
Committee on Subordinate Legislation.

NEW DELHI;
The 4th May, 1956.

SUMMARY OF RECOMMENDATIONS MADE IN THE FOURTH REPORT OF THE COMMITTEE ON SUBORDINATE LEGISLATION

Serial No.	Reference to para No. in the Report	Summary of Recommendations
(1)	(2)	(3)
1	9	Rule 4 (c) of the Coir Industry Rules, 1954, should be amended to provide for the representation of the Lok Sabha and Rajya Sabha in the ratio of 2 : 1.
2	12	Sometime limit should be specified in Rule 6 of the Coir Industry Rules, 1954 within which the authority concerned must take a decision on the letter of resignation of a member.
3	15	Rule 15(3) of the Coir Industry Rules, 1954 should provide to ensure that contract may not be entered into by the Chairman etc. without the prior approval of the appropriate authority and that the Contractor, if he executes some work in pursuance of a contract which was entered into without such prior approval, is not penalised for the fault of the officers.
4	20	Provisions regarding the conditions of Service of Secretary of the Board should be included in the Coir Industry Rules, 1954, as envisaged in Sec. 26(2)(d) of the Coir Industry Act, 1953.
5	24	The quorum fixed for the State and Unit Advisory Committees under Rule 35A(10) of the Reserve and Auxiliary Air Force Act Rules, 1953, should be raised.
6	27	Some limit should be specified in Rule 45 of the Air Corporations Rules, 1954, within which the authority concerned must take a decision on the letter of resignation of a member or the Chairman of the Air Transport Council.
7	29	Whenever there are extensive amendments to any rules, the rules should be reprinted.
8	31	The representation of Members of Parliament on statutory bodies should be by election by either House or, in the alternative, by nomination by the Speaker or the Chairman ; in no case should the selection of representatives of Parliament be left to be made by the executive Government.
9	32	The representation of the Lok Sabha and the Rajya Sabha on statutory bodies should be in the ratio of 2:1.
10	35	Whenever the Government exempt any article from excise duty they should immediately inform the House, if it is then in session; if it is not in session, the information should be communicated to the Speaker for the information of the members of the House.
		When a particular measure levying any duty is pending in the House, no action should be taken by way of exemption of an article from the proposed duty without seeking the prior approval of the House.

(1)	(2)	(3)
11	37—38	It will be better if all statutory rules and orders can be published in one section of the Gazette and can be centrally numbered. In the alternative :— (1) The Government should ensure that their notifications containing particularly constitutional and statutory rules and orders are published in proper part and section of the Gazette. (2) An index should be published every month which should cover all the notifications published during that period in any part and section of the Gazette. A consolidated index should be issued every year. (3) Notifications regarding constitutional and statutory rules and orders in each part and section of the Gazette should be centrally numbered from year to year with a distinctive prefix. The distinctive prefix will help to find out the section or part of the gazette and the central numbering will help to locate the particular notification. Arrangements on the following lines should be started in this connection :—

	Published in	*Prefix*
(*a*) S.R.Os. of Ministries (excluding Defence Ministry)	Part II, Section 3	S.R.O. (A)
(*b*) S.R.Os. of Defence Ministry .	Part II, Section 4	S.R.O. (B)
(*c*) S.R.Os. of Chief Commissioners under Central Acts.	Part III, Section 3	S.R.O. (C)
(*d*) S.R.Os. of Reserve Bank of India under Central Acts.	Part III, Section 4	S.R.O. (D)
(*e*) S.R.Os. of statutory Corporations under the Central Acts.	Part IV.	S.R.O. (E)
(*f*) Rules and Orders made under the Constitution.	Part II, Sections 3 and 4	S.R.O. (F)

(4) A notification should be referred to by its central number (with prefix) and year of its publication in the Gazette the date of issue of the Gazette containing the notification, *e.g.*, S.R.O.(A) 113 of 1955 or S.R.O. (A) 113 of 25th January, 1955.

12	40	'Orders' required to be laid on the Table should be laid within 7 days after their publication in the Gazette ; if the House is not in session at that time the 'orders' should be laid on the Table as soon as possible (but within 7 days) after the commencement of the following session.

APPENDICES TO THE REPORT

APPENDIX I

[*See* para 39]

Statement of 'Orders' in respect of which there has been delay in laying on the Table

Serial No.	No. of 'Order'	Description of 'Order'	Date of Publication in Gazette	Date of laying on the Table	Period which elapsed between the two dates	Name of the Ministry concerned	Remarks
1	2	3	4	5	6	7	8
1	S.R.O. 2680 of 1954	Amendments in the Customs Duties Drawback Rules.	21-8-54	3-12-54	3 months	Ministry of Finance.	The inter-session periods have not been counted for delay in the case of those orders which were published when the House was not in session and were laid on the Table during the session immediately following their publication in the Gazette.
2	S.R.O. 3197 of 1954		16-10-54	3-12-54	18 days		
3	S.R.O. 3131 of 1954		2-10-54	10-12-54	25 days		
4	S.R.O. 443 of 1955		26-2-55	31-3-55	1 month		
5	S.R.O. 444 of 1955		26-2-55	31-3-55	1 month		
6	S.R.O. 445 of 1955		26-2-55	11-4-55	1½ months		
7	S.R.O. 173 of 1954	Amendments in the Central Excise Rules, 1944.	16-1-54	12-4-54	2 months		
8	S.R.O. 607 of 1954		20-2-54	12-4-54	2 months		
9	S.R.O. 700 of 1954		27-2-54	12-4-54	1½ months		
10	Central Excise Notification. 6 of 1954		28-2-54	12-4-54	1½ months		
11	S.R.O. 1210 of 1954		10-4-54	28-9-54	5½ months		

1	2	3	4	5	6	7	8
12	S.R.O. 1618 of 1954	Amendments in the Central Excise Rules, 1944.	22-5-54	28-9-54	1 month	Ministry of Finance.	
13	S.R.O. 1875 of 1954		12-6-54	28-9-54	1 month		
14	S.R.O. 2418 of 1954		24-7-54	28-9-54	11 months		
15	S.R.O. 2758 of 1954		28-8-54	28-9-54	1 month		
16	S.R.O. 2844 of 1954		4-9-54	3-12-54	3 months		
17	S.R.O. 2941 of 1954		11-9-54	3-12-54	3 months		
18	S.R.O. 3236 of 1954		15-10-54	3-12-54	18 days		
19	S.R.O. 3334 of 1954		1-11-54	3-12-54	18 days		
20	S.R.O. 1371 of 1954		27-4-54	12-12-54	5 months		
21	S.R.O. 1462 of 1954		8-5-54	12-12-54	5 months		
22	S.R.O. 477 of 1955		1-3-55	16-3-54	14 days		
23	S.R.O. 1834 of 1953	Amendments in the Cinematograph (Censorship) Rules, 1951.	3-10-53	23-8-54	9 months	Ministry of Information and Broadcasting.	
24	S.R.O. 1924 of 1953		17-10-53	23-8-54	9 months		
25	S.R.O. 130 of 1954		9-1-54	23-8-54	6 months		
26	S.R.O. 397 of 1954		6-2-54	23-8-54	6 months		
27	S.R.O. 625 of 1954		20-2-54	23-8-54	6 months		
28	S.R.O. 2767 of 1954		28-8-54	16-11-54	2½ months		

29	S.R.O. 2540 of 1954	Amendment in the Northern India Salt, Rules, 1931.	7-8-54	28-9-54	1 month	Ministry of Finance.
30	S.R.O. 3145 of 1954	Amendments in the Mineral Concession Rules, 1949.	2-10-54	17-12-54	1 month	Ministry of N.R.& S.R.
31	S.R.O. 3271 of 1954		23-10-54	17-12-54	1 month	
32	S.R.O. 3406 of 1954		13-11-54	17-12-54	1 month	
33	S.R.O. 3517 of 1954		4-12-54	17-12-54	12 days	
34	S.R.O. 25 of 1955		1-1-55	27-7-55	5 months	
35	S.R.O. 98 of 1955		8-1-55	27-7-55	5 months	
36	S.R.O. 322 of 1955		5-2-55	27-7-55	5 months	
37	S.R.O. 368 of 1955		12-2-55	27-7-55	5 months	
38	S.R.O. 369 of 1955		12-2-55	27-7-55	5 months	
39	S.R.O. 519 of 1955		5-3-55	27-7-55	4 months	
40	S.R.O. 2111 of 1954	Rescinding Notification No. 3 Salt, dated 29-3-47	3-7-54	11-12-54	1 month	Ministry of Finance.
41	S.R.O. 3224 of 1954	Amendments in the Requisitioning and Acquisition of Immovable Property Rules, 1953.	16-10-54	21-2-55	3 months	Ministry of W.H. & S.
42	S.R.O. 3272 of 1954		23-10-54	21-2-55	3 months	
43	S.R.O. 708 of 1955		2-4-55	26-4-55	24 days	
44	S.R.O. 3102 of 1954	Amendments in the Indian Aircrafts Rules, 1937.	25-9-54	21-2-55	4 months	Ministry of Communications.
45	S.R.O. 3440 of 1954		20-11-54	21-2-55	3 months	
46	S.R.O. 91 of 1955		8-1-55	22-4-55	2 months	

1	2	3	4	5	6	7	8
47	S.R.O. 656 of 1955	Amendment in the Tea Rules, 1954.	26-3-55	22-4-55	1 month	Ministry of Commerce and Industry.	
48	S.R.O. 589 of 1955	Rule under Air Corporations Act, 1953.	19-3-55	30-4-55	1 month	Ministry of Communications.	
49	S.R.O. 2754 of 1954	Making Public Debt (Compensation Bonds) Rules, 1954.	28-8-54	3-5-55	8 months	Ministry of Finance.	
50	S.R.O. 889 of 1955	Delimitation Commission Final Orders Nos. 24—26.	25-4-55	27-7-55	3 months	Ministry of Law.	
51	S.R.O. 891 of 1955		26-4-55	27-7-55	3 months		
52	S.R.O. 893 of 1955		27-4-55	27-7-55	3 months		

APPENDIX II

Minutes

I

*FIRST SITTING

Parliament House, New Delhi: Friday, the 30th September, 1955.

The committee met from 4 P.M. to 4-50 P.M.

The following were present:

MEMBERS

Shri Hanamantarao Ganeshrao Vaishnav—*(in the Chair)*.

Shri N. M. Lingam

Shri A. Ibrahim

Shri Ganpati Ram

Shri Diwan Chand Sharma

Shri Hem Raj

Shri H. Siddananjappa.

SECRETARIAT

Shri S. L. Shakdher—*Joint Secretary.*

Shri N. N. Mallya—*Deputy Secretary.*

Shri P. K. Patnaik—*Under Secretary.*

2. In the absence of the Chairman, Shri Hanamantrao Ganeshrao Vaishnav was elected to act as Chairman for the sitting.

3. The Committee considered the memoranda prepared by the Secretariat on the following subjects and orders:—

(1) Delay in laying orders on the Table (Memos. Nos. 56-57, 60-61, 64-65, 67—70, 73-74, 76-77, 84, 86, 88—90, 92-93, 99, 103-104).

(2) Re-printing of rules and their re-publication in the Gazette from time to time (Memo. No. 59).

(3) S.R.O. 2226 of 1954 regarding Coir Industry Rules, 1954 (Memo. No. 59).

(4) * * * * * * *

Delay in laying the orders on the Table

4. The Committee decided that the delay in laying the following orders on the Table be reported to the House:—

No. of order		Delay
S.R.O. 2680	of 1954	3 months
S.R.O. 3197		18 days
S.R.O. 3131		25 days.
S.R.O. 443	of 1955	1 month
S.R.O. 444		1 month
S.R.O. 445		1 1/2 months.

Re: amendments in the Customs Duties Drawback Rules.

*Omitted portions of the minutes will be published in a later Report.

No. of Order		Delay
S.R.O. 173		2 months
S.R.O. 607		2 months
S.R.O. 700		1 1/2 months
S.R.O. 6		1 1/2 months
S.R.O. 1210		5 1/2 months
S.R.O. 1618		1 month
S.R.O. 1875		1 month
S.R.O. 2418	of 1954.	11 months
S.R.O. 2758		1 month
S.R.O. 2844		3 months
S.R.O. 2941		3 months
S.R.O. 3236		18 days
S.R.O. 3334		18 days
S.R.O. 1371		5 months
S.R.O. 1462		5 months
S.R.O. 477 of 1955.		14 days.

Re: amendments in the Central Excise Rules, 1944.

S.R.O. 2540 of 1954 regarding amendment in the Northern India Salt Rules, 1931.	1 month.
S.R.O. 1834 of 1953	9 months
S.R.O. 1924 of 1953	9 months
S.R.O. 130 of 1954	6 months
S.R.O. 397 of 1954	6 months
S.R.O. 625 of 1954	6 months
S.R.O. 2767 of 1954	2 1/2 months

Re: amendments in the Cinematograph (Censorship) Rules, 1951.

S.R.O. 3145	of 1954	1 month
S.R.O. 3271	of 1954	1 month
S.R.O. 3406	of 1954	1 month
S.R.O. 3517	of 1954	12 days.
S.R.O. 25	of 1955	5 months
S.R.O. 98	of 1955	5 months
S.R.O. 322	of 1955	5 months
S.R.O. 368	of 1955	5 months
S.R.O. 369	of 1955	5 months
S.R.O. 519	of 1955	4 months

Re: amendments in the Mineral Concession Rules, 1949.

S.R.O. 2111 of 1954 rescinding notification No. 3 Salt, dated 29-3-47	1 month
S.R.O. 3224 of 1954	3 months
S.R.O. 3272 of 1954	3 months
S.R.O. 708 of 1955 . . .	24 days.

Re: amendments in the Requisitioning and Acquisition of Immovable Property Rules, 1953.

S.R.O. 3102 of 1954	4 months
S.R.O. 3440 of 1954	3 months
S.R.O. 91 of 1955	2 months

Re: amendments in the Indian Aircrafts Rules, 1937.

S.R.O. 656 of 1955 regarding amendment in the Tea Rules, 1954	1 month
S.R.O. 589 of 1955 making rule under Air Corporations Act, 1953	1 month
S.R.O. 2754 of 1954 making public Debt (Compensation Bonds) Rules, 1954	8 months
S.R.O. 889	3 months
S.R.O. 691 of 1955	3 months
S.R.O. 893	3 months

Re: Delimination Commission Final Orders Nos. 24—26.

Re-printing of rules

5. Sometime ago the Ministry of Law had impressed upon the Ministries of the Government of India the desirability of re-printing the rules etc., from time to time after incorporating the amendments therein. The Committee also considered this question and felt that it was very necessary to re-print the amended rules in order that the general public as also the departments of the Government could refer to them easily and were not inconvenienced. The Committee decided to recommend that whenever there were extensive amendments to any rules, the rules should be re-printed. The question of economy should not come in the way.

S. R. O. 2226 of 1954 regarding Coir Industry Rules, 1954

6. *Rule 4(e).*—This rule allocates one seat on the Coir Board to each House of Parliament while the usual ratio between the members of the Lok Sabha and the Rajya Sabha on such bodies is 2 : 1. In making this provision the Ministry had stated to have followed the precedent of Tea Rules, 1954. In giving two seats to Parliament—one to each House—the Tea Rules, 1954, had followed the precedent of Central Tea Board Act, 1949, which, as reported in the Third Report of the Committee, was not approved by the Committee because it was wrong to follow the 1949-precedent in the changed circumstances. The unicameral legislature had become bi-camera and the membership had increased considerably. The Committee had recommended the amendment of Tea Rules to provide for the representation of the Lok Sabha and the Rajya Sabha in the ratio of 2 : 1.

7. The Committee were of the view that Rule 4(e) of the Coir Industry Rules should also be amended to provide for the representation of Lok Sabha and Rajya Sabha in the ratio of 2:1.

7A. *Rule 6.*—Under the proviso to this rule, the resignation of a member from the Board or a Committee will not be effective unless it is accepted by the Chairman or the Secretary. There is nothing in the Rules to direct the Chairman or the Secretary to accept the resignation within a reasonable time. Such a provision could prove hard to members in certain circumstances.

8. Explaining this provision the Ministry had stated as follows:—

> "The proviso to this rule says that a member of the Board or the Committee as the case may be, shall not vacate his

office until his resignation is accepted. The provisions of Rule 6(2) of the Tea Rules, 1954, were followed here also. The proviso is necessary. In the absence of such a provision the resignation of a member will automatically come into effect, with no opportunity to the Board or the Committee to settle any matters outstanding between it and the member. Further, cases are conceivable in which it will cause inconvenience to the Board or the Committee, if the member is allowed the freedom to bring his resignation into effect from a date at his own choice without giving any previous notice to the Board or the Committee. The rule that resignation will take effect only from date of acceptance appears to be a usual one and the object of the rule is only to obviate the difficulties mentioned above. It is not intended in any way to continue a member on the Board contrary to his wishes for an indefinite period."

9. In regard to a similar provision in the Tea Rules, 1954, in the Third Report of the Committee on Subordinate Legislation it had been stated that there should be no such limitation on a member when he wanted to resign. They had recommended that a specific provision should be made in the rules indicating definitely the date from which a resigning member could vacate his seat or the maximum period that would be taken to accept his resignation.

10. The Committee held the same view on Rule 4(e) of the Coir Industry Rules. They decided that some time-limit should be specified in this rule within which the authority concerned must take a decision on the letter of resignation of a member. This will enable the members to know in advance the maximum period that may be taken by the Chairman etc., to accept the resignation and thus enable them to plan accordingly.

11. *Rule 15(3)*.—Under this rule a contract will not be binding on the Board unless it is executed by the Chairman etc., with the previous approval of the appropriate authority. It was not clear as to what would happen if the contract was entered into without such prior approval and the contractor had executed some work in pursuance of such a contract. The Ministry explained the position as follows:—

> ".....No question may arise of a contractor entering into a contract without having the means of knowing who is the appropriate authority. In any case, if such a question arises, the ordinary law regarding the liability of an agent when he acts without any authority or in excess of the authority delegated to him may apply for the decision of the question."

12. The Committee felt that provision should be made in the rule to meet such situations if they ever arose and to ensure that the contractor was not penalised for the fault of officers.

13. *Rule 17*.—This rule lays down the procedure for borrowing of money by the Board. A reference was made to the Ministry enquiring whether it would not be better to include more details in this rule. The Ministry informed that this rule followed closely the

relevant rule of the Tea Rules, 1954 and assured that rules would be separately framed regarding the procedure for borrowing and repayment.

The Committee noted the Ministry's assurance.

14. *Rule 21.*—This rule provides that the Secretary shall be subject to such conditions of service etc., as may from time to time be fixed by the Central Government. On an enquiry it was learnt from the Ministry that the conditions of service of the Secretary had already been fixed by the Central Government as required in rule 21.

15. The Committee noted that section 26(2) (d) of the parent Act envisaged the provisions regarding conditions of service etc., to be made in the rules but rule 21 of these rules had further authorised the Government to fix them outside the rules which was not in accordance with the intentions of the Act. A similar thing was done in the Tea Rules, 1954, and the Committee in that case had recommended that when the Act envisaged the provisions to be made in the rules, they should be made in the rules and not outside the rules.

16. The Committee were of the view that the conditions of service of Secretary of the Coir Board should also be incorporated in the rules and not fixed separately outside the rules.

17. *Issue of Licences.*—The Coir Industry Rules do not contain any provision regarding the procedure and manner of issuing of licences as referred in Section 12 of the parent Act. On an enquiry made from the Ministry, the following reply was received:—

> "The present rules do not include any of licences, registration of looms and factories etc. It is intended that the Board should first investigate and submit proposals in this matter and that the Central Government will then issue the rules as required by sections 10(3) and 26 of the Coir Industry Act, 1953."

The Committee noted the Ministry's reply.

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II

*SECOND SITTING

Parliament House, New Delhi: Saturday, the 10th December, 1955.

The Committee met from 4 P.M. to 4-45 P.M.

2. The following were present:

Shri N. C. Chatterjee—*Chairman.*

MEMBERS

2. Shri S. V. Ramaswamy
3. Shri A. Ibrahim
4. Shri Hanamantrao Ganeshrao Vaishnav
5. Shri Diwan Chand Sharma
6. Shri Hem Raj
7. Shri H. Siddananjappa
8. Shri Tulsidas Kilachand
9. Shri Hirendra Nath Mukerjee

REPRESENTATIVES OF THE MINISTRIES

Shri B. N. Banerji, *Joint Secretary, Ministry of Finance.*
Shri W. Saldanha, *Deputy Secretary, Ministry of Finance.*
Shri K. Srinivasan, *Deputy Secretary, Ministry of Law.*

SECRETARIAT

Shri S. L. Shakdher, *Joint Secretary.*
Shri P. K. Patnaik, *Under Secretary.*

3. The Committee examined the representatives of the Ministry of Finance on the provisions of S. R. O. 416 of 1953.

4. * * * * *

5. The Committee then adjourned to sit again at 4 P.M. on Tuesday, the 20th December, 1955.

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*Omitted portion of the Minutes will be published in a later Report.

III

*THIRD SITTING

Parliament House, New Delhi: Tuesday, the 20th December, 1955.

The Committee met from 4 P.M. to 5-5 P.M.

2. The following were present:

Shri N. C. Chatterjee—*Chairman.*

MEMBERS

2. Shri A. Ibrahim
3. Shri Hanamantrao Ganeshrao Vaishnav
4. Shri Diwan Chand Sharma
5. Shri Hem Raj
6. Shri H. Siddananjappa
7. Shri Tulsidas Kilachand
8. Shri Hirendra Nath Mukerjee

SECRETARIAT

Shri S. L. Shakdher, *Joint Secretary.*

Shri N. N. Mallya, *Deputy Secretary.*

Shri P. K. Patnaik, *Under Secretary.*

3. The Committee considered the memoranda prepared by the Secretariat on the following 'Orders' etc.:—

(1) * * * * * *

(2) Uniformity in the provisions in the Bills relating to the representation of Members of Parliament on statutory bodies (Memo. No. 66).

(3) S. R. O. 6-E amending the Reserve and Auxiliary Air Forces Act Rules, 1953. (Memo. No. 75).

(4) S. R. O. 151 of 1955 containing the I. S. I. (Certification Marks) Rules, 1955. (Memo. No. 78).

(5) * * * * * *

(6) Exemptions from excise duty by Government under delegated powers. (Memo. No. 81).

(7) S. R. O. 3520 of 1954 containing the Air Corporations Rules, 1954. (Memo. No. 91).

(8) Central numbering and publication of Statutory Rules, and Orders. (Memo. No. 94).

(9) * * * * * *

(10) * * * * * *

*Omitted portions of the Minutes will be published in a later Report.

Uniformity in the Provisions in the Bills Relating to the Representation of Members of Parliament on Statutory bodies

7. The Committee noted that there was at present no uniformity in the procedure for the representation of members of Parliament on various statutory bodies constituted under the Central Acts. Sometimes the provisions were for the election of members by either House; sometimes by nomination by the Speaker or the Chairman; and sometimes by appointment by the Central Government.

There was also no fixed ratio observed in the matter of representation of the two Houses on such bodies.

8. The Committee were of the view that the representation of members of Parliament on statutory bodies should be by election by either House or in the alternative by nomination by the Speaker or the Chairman; in no case the power of selection of representatives of Parliament should be given to the Government. They were also of the view that the representation of the Lok Sabha and the Rajya Sabha on such bodies should be in the ratio of 2:1. The Committee generally approved the following draft of the clause providing for the representation of members by election:

> ".....(here number).....members of Parliament of whom.....(here number).....shall be elected by the House of the People and.....(here number) .....by the Council of States."

S. R. O. 6-E Amending the Reserve and Auxiliary Air Forces Act Rules, 1953

9. The Committee examined S. R. O. 6-E which introduced a new Rules 35A in the Reserve and Auxiliary Air Forces Act Rules, 1953. Sub-Rule (10) of rule 35-A provided that the quorum of the Central, State and Unit Advisory Committees would be as nearly as might be 1th of the total strength of the Committees or sub-Committees. According to this sub-rule, quorum of Part A & B State Advisory Committees would be only 2 and that of Part C State and Unit Advisory Committees only 1.

10. The Committee felt that the quorum provision was unusual. They were of the view that quorum of these Committees should be increased for ensuring their better and proper functioning.

Exemptions from Excise Duty by Government under Delegated Powers

14. The Finance Bill, 1955, contained proposals for the levy of excise duty on, *inter alia,* hand-made paper and sewing machines which came into force on 1st March, 1955, under the Provincial Collection of Taxes Act, 1931, even before the Finance Bill was passed by Parliament. A few days after the enforcement of the duty, the Government, under the powers vested in them by the Central Excises and Salt Act, 1944, exempted the above articles from the excise duty in deference to public opinion. The Finance Bill was still pending before Parliament. An announcement *re*: the exemption of the hand-made paper was made by the Finance Minister in the Rajya Sabha on the 11th March, 1955, in the course of his reply to the Budget debate. No such announcement was made in the Lok Sabha. In fact, it was pointed out that the Government was under no statutory obligation to make any such announcement. The question was raised in the Lok Sabha on the 16th March, 1955, as to whether it was not proper for the Government to make an announcement of the exemption in the Lok Sabha also especially when the Bill was pending in that House.

15. The Committee noted that the Government had the power of exemption and could exercise it whenever it liked. But since the ultimate responsibility for keeping watch over the taxation policy of Government rested with Parliament, the question was whether it was not proper for the Government to inform the House about the exemptions especially when the House was in session and the particular Bill was pending before it; and whether, when the particular measure was in possession of the House, it was at all proper for the Government to order exemptions without waiting for the views of the House on the measure.

16. The Committee were of the view that the Government should, whenever they exempted any article from excise duty, immediately inform the House if it was then in session; if it was not in session, the information should be communicated to the Speaker for the information of members of the House. The Committee were also of the view that when a particular legislation or measure was pending the decision of Parliament, no action should be taken by way of exemption without informing the House and taking its approval before promulgating the relevant notification regarding the exemption.

S. R. O. 3520 *of* 1954 *Containing Air Corporations Rules,* 1954

17. Rule 45 of the Air Corporations Rules, 1954, provided that the Chairman or any other member of the Air Transport Council might resign his office by notice in writing under his hand addressed to the Central Government. Proviso to this rule laid down that the resignation would take effect from the date on which it was accepted by the Central Government. The Committee noted that there was nothing in the rules to direct the Central Government to accept the resignation in a reasonable time.

18. While dealing with an exactly similar provision in the Tea Rules, the Committee had not approved of such limitation on

members when they wanted to resign and had made the following recommendation:—

> "The Committee recommended that the resignation should be effective either from the date of submission, or from the date from which the member wants it to be effective or after the completion of certain notice period (to be fixed by Government) after the date of submission and a specific provision to this effect should be made in the rule." (Para 29, Third Report).

The Committee decided to make similar recommendation in the present case also.

Central Numbering and Publication of Statutory Rules and order

19. The Committee noted that at present there was no uniformity in regard to the publication and numbering of statutory rules and orders. The result was that there was difficulty in making quick and short references to notifications and in locating any notification in the Gazette. The use of same letters as prefix in two different parts of the Gazette caused confusion.

20. The Committee noted that the Government had not agreed to the proposal to publish in one section of the Gazette all rules and orders made under the Central Acts and the Constitution and to give them central numbers. If that was not possible, the Committee felt that the present system of publishing and numbering the statutory rules and orders should be improved. They decided to make the following recommendations in this regard:—

(1) The Government should ensure that their notifications containing particularly the Constitutional Rules and Orders and the Statutory Rules and Orders are published in proper Part and Section of the Gazette.

(2) An index should be published every month which should cover all the notifications published during that period in any Part and Section of the Gazette. A consolidated index should be issued every year.

(3) Notifications regarding Statutory Rules and Orders in each Part and Section of the Gazette should be centrally numbered from year to year with a distinctive prefix. The distinctive prefix will help find out the Section or Part of the Gazette and the central number will help locate the particular notification. The following arrangement should be started:—

	Published in	To be called
(i) S.R.O.s of Ministries (Excluding Defence Ministry)	Part II, Sec. 3.	S.R.O. (A)
(ii) S.R.O.s of Defence Ministry. . . .	Part II, Sec. 4.	S.R.O. (B)
(iii) S.R.O.s of Chief Commissioners under Central Acts.	Part III, Sec. 3.	S.R.O. (C)
(iv) S.R.O.s of Reserve Bank of India under Central Acts.	Part III, Sec. 4.	S.R.O. (D)

(*v*) S.R.O.s of Statutory corporations under Central Acts.	Part IV	S.R.O. (E)
(*vi*) Rules and Orders made under the Constitution	Part II, Sec. 3 & Sec. 4	S.R.O. (F)

(4) A notification should be referred to by its central number (with prefix) and year of its publication in the Gazette or the date of issue of the Gazette containing the notification *e.g.* S.R.O.(A) 13 of 1955 or S.R.O.(B) 13 of 25th January, 1955.

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26. The Committee then adjourned *sine die*.

IV

*FOURTH SITTING

Parliament House, New Delhi: Friday, the 4th May, 1956.

The Committee met from 4 P.M. to 4-15 P.M.

2. The following were present:

Shri N. C. Chatterjee—*Chairman.*

MEMBERS

2. Shri N. M. Lingam
3. Shri A. Ibrahim
4. Shri Hanmantrao Ganeshrao Vaishnav
5. Shri Tek Chand
6. Shri Diwan Chand Sharma
7. Shri Hem Raj
8. Shri H. Siddananjappa.

SECRETARIAT

Shri S. L. Shakdher, *Joint Secretary.*
Shri N. N. Mallya, *Deputy Secretary.*
Shri P. K. Patnaik, *Under Secretary.*

3. The Committee considered the draft of the Fourth Report and adopted the same.

4. The Committee authorised the Chairman to present the Report to the Lok Sabha.

5. The draft Directions under Rule 275 of the Rules of Procedure of Lok Sabha were then placed before the Committee. The Committee approved the draft with certain verbal changes and directed that the same might be placed before the Speaker for his consideration.

6. * * * * * *

7. The Committee then adjourned to meet again at 4-30 P.M. on Monday, the 14th May, 1956.

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* Omitted portion of the minutes will be published in a latter report.

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